



## Oil Shale Exploration Company, LLC

November 8, 2005

Daron Haddock  
Permit Supervisor  
Department of Natural Resources, Division of Oil, Gas and Mining  
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DIV. OF OIL, GAS & MINING

Dear Daron,

Thank you for the opportunity to meet with you, John, Susan, and Doug last week to discuss our company, Oil Shale Exploration Company ("OSEC"). We are interested in mining and developing oil shale in Utah, particularly the White River Mine site in Uintah County. As we discussed, OSEC has submitted an application to the Bureau of Land Management for the lease of the White River Mine Site for the development and demonstration of our oil shale recovery technology. We were very grateful for the insight and information you offered.

OSEC believes oil shale is this country's largest untapped energy resource and is committed to developing an environmentally-sound oil shale recovery technology to commercially produce this important energy resource. OSEC intends to use the ATP process which is a proven application for recovering oil from shale. The ATP process is the only technology that has successfully been used in a commercial oil shale recovery plant. OSEC has brought together a team of experts with extensive backgrounds in mining, engineering, materials handling, pyroprocessing, oil upgrading, environmental, legal and finance. OSEC also believes that the mining of oil shale is as important as the technology required for producing oil from oil shale. Our partner, Twin Pines Coal Company, has over 1,000 employees and presently mines and processes approximately 24 million tons of coal annually. We feel our mining experience and resources will be an important part of our success.

OSEC is uniquely qualified because of our experience in developing alternative fuels and extensive mining background. We are committed to use our significant resources to develop the first commercially viable oil shale plant in Utah. If we are awarded the lease for the White River Mine Site, we have agreed to make the oil shale that is presently on the ground and the future oil shale to be mined available to all R & D projects in an effort to assist Utah in creating an oil shale recovery industry.

Again, thank you for taking your time to meet with us, and we look forward to meeting with you again soon.

Sincerely,

Daniel G. Elcan

E. Raymon Bean